

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1145**

March 30, 2009

**SUMMARY OF BILL:** Prohibits the sale of food in K-12 public schools and child care centers that contains food dye after January 1, 2012. Encourages manufacturers to place warning labels on foods that contain food dyes.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$90,000/FY11-12**

**Decrease Local Revenue – Exceeds \$100,000/FY11-12**

**Increase Local Expenditures – Exceeds \$2,720,000/FY11-12\***

**Assumptions:**

- The Department of Education will hire one full-time dietician to travel the state, monitoring food dyes in K-12 schools and the four state special schools. This position will cost approximately \$90,000 in salary, benefits, and travel expenses.
- Food manufacturers may increase their prices, stop selling some items, or make no changes to their prices. Food dye is used in many snack products; however it is unknown exactly how many products will be affected.
- It is estimated that local education agencies will experience a loss in revenue exceeding \$100,000 from prohibited products or manufactures not selling some items and an increase in expenditures exceeding \$100,000 due to an increase in pricing for some products.
- Each LEA will hire one part-time dietician at a cost of approximately \$20,000 per dietician to monitor the sale of food dyes. Local expenditures will increase approximately \$2,720,000 (\$20,000 x136).
- No increase in expenditures to the Department of Human Services to monitor child care centers. Any cost can be accommodated within existing resources without an increased appropriation or reduced reversion.
- Monitoring and oversight will begin in FY11-12.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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